



# **State of Nevada**

## **Department of Taxation**

Legislative Commission's Budget Subcommittee Hearing

January 28, 2025



# Department of Taxation Executive Team

Shellie Hughes, Executive Director

Yvonne Nevarez-Goodson, Chief Deputy Executive Director

Joe Bernardy, Deputy Executive Director, Information Technology Division

Jeff Mitchell, Deputy Executive Director, Excise & Local Government Services Division

Adriane Roberts-Larson, Deputy Executive Director, Administrative Services Division

Guy Childers, Deputy Executive Director, Compliance Division

Bonnie Long, Administrative Services Officer

James Underwood, Information Security Officer

Patricia Olmstead, Public Information Officer

Patric Starr, Enterprise Project Manager

Keri Kosach, Enterprise Change Manager

Tina Padovano, Executive Assistant



# Mission and Philosophy

- Provide fair, efficient, and effective administration of tax programs for the State of Nevada in accordance with applicable statutes, regulations, and policies.
- Serve the taxpayers and state and local government entities and enable and recognize Department employees.
- Dedicated to the highest standards of professionalism and ethical conduct; committed to consistent, impartial and courteous service and treatment of our taxpayers.
- Providing resources, training and support to the employees of the Department, and fostering initiative, creativity and effective performance



# Agency Overview

## **Organized in Six Divisions**

- Executive
- Administrative and Fiscal Services
- Excise and Local Government Services
- Boards and Commissions and Local Government Finance
- Information Technology
- Compliance

## **Staff to 5 Boards and Commissions**

- Nevada Tax Commission – Head of the Department
- Committee on Local Government Finance
- Appraiser Certification Board
- State Board of Equalization
- Mining Oversight and Accountability Commission



# Summary of Agency Operations

Administer the collection and distribution of over **\$10.3 billion annually** in state and local government revenue from **21 different taxes and 3 fees**

Responsible for appraising property of an interstate or inter-county nature as well as mining property

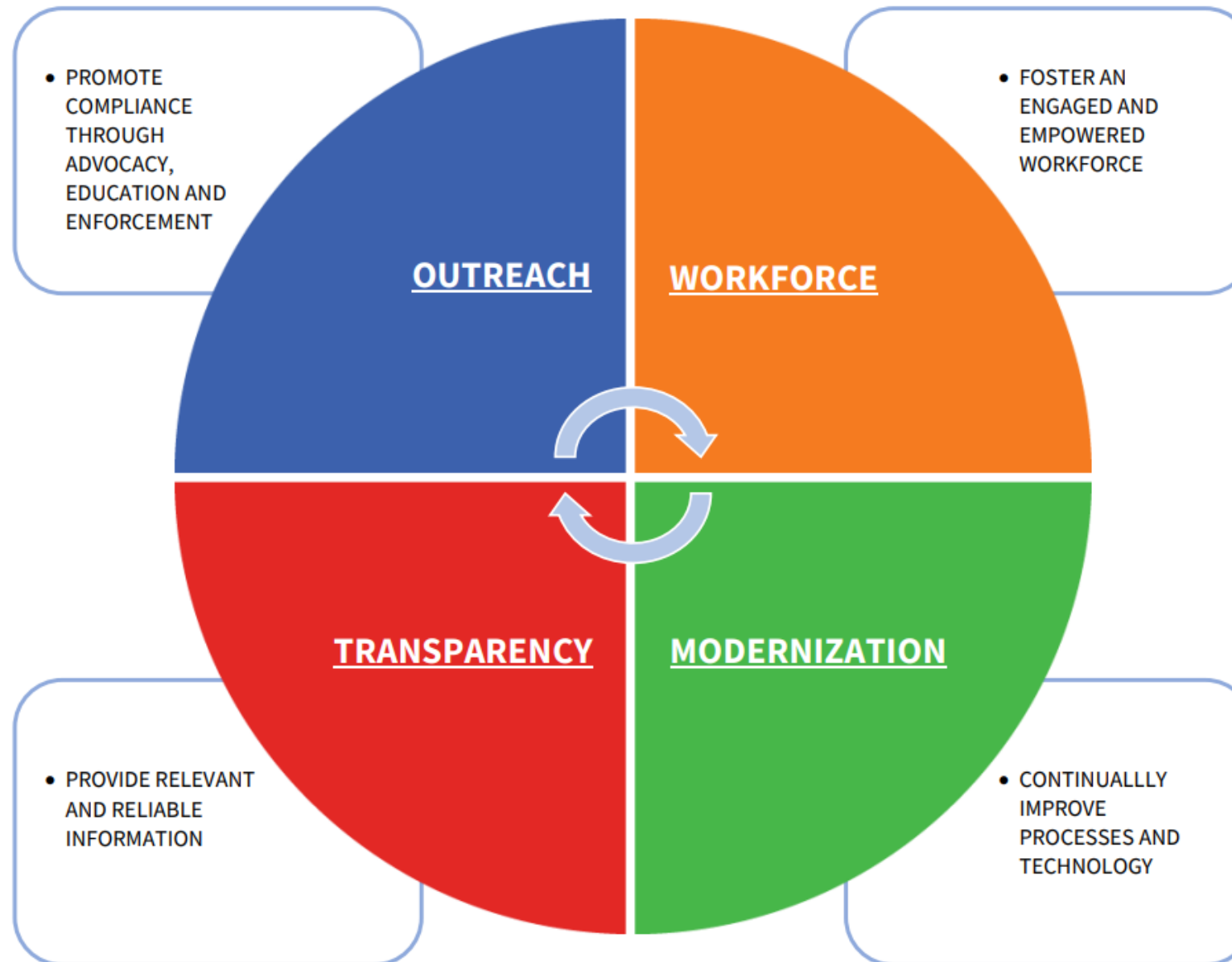
Establish guidelines for county assessors, recorders, and treasurers; monitors appraisal and assessment performance; and ensures statewide compliance with assessment standards established by the Nevada Tax Commission (NTC)

Review local government budgets and audits, prepares ad valorem tax rates for certification, and advises local governments on Budget Act compliance and financial management matters

Provide certified annual population estimates for the state, its counties and incorporated cities



# Department of Taxation Goals





# Achievements and Implementations

Established Credit Cards terminals at all office front counters

Installed customer self-serve kiosks at all office locations

Created a user-friendly website

Resurrected our "Ask the Advisor" training classes

Reduced our vacancy rate

Moved into a new state-owned building in Carson City & expanded into a new state-owned building in Las Vegas

Increased gross revenue collections for the state

Successful implementation of Rollout 1 of Project MYNT (modernized tax system)



# Summary of Agency Challenges

## Technology and Process:

- Aging IT infrastructure
- Obsolete, inefficient processes and paper-based workflow
- Cybersecurity threats

## Staffing and Resources:

- Hiring qualified staff
- Providing adequate training
- Employee retention

## Taxpayer Support:

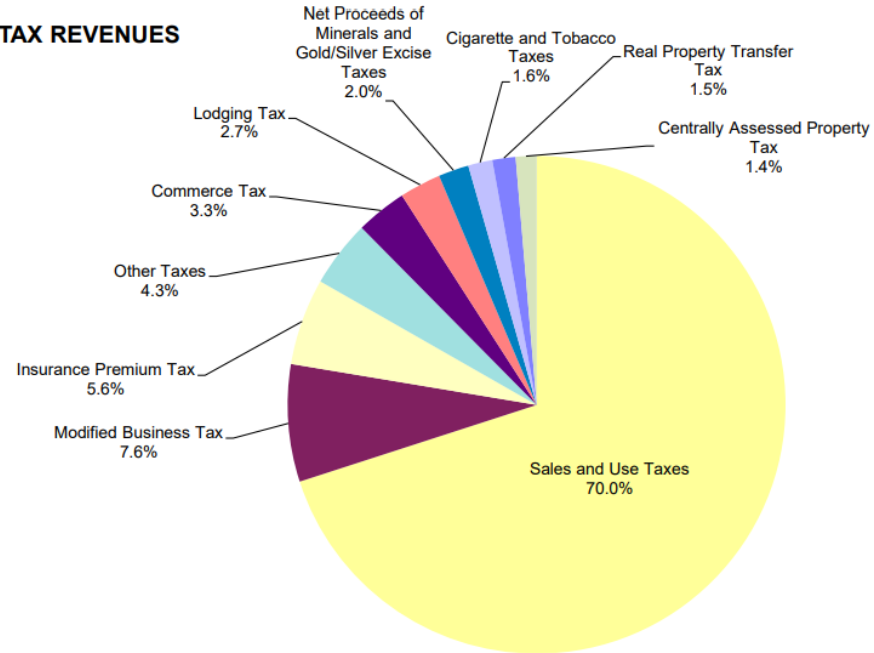
- Lack of understanding of tax obligations
- Lack of access to taxpayer services
- Lack of trust of the Department or Government





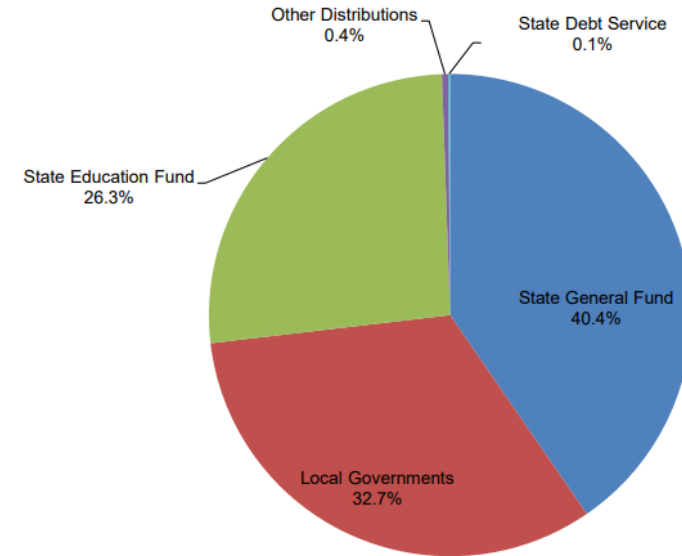
# Tax Revenue and Distributions FY24

**TAX REVENUES**



Description	Amount	% of Total
Sales and Use Taxes	\$ 7,255,032,151	70.0%
Modified Business Tax	\$ 788,986,753	7.6%
Insurance Premium Tax	\$ 584,473,881	5.6%
Net Proceeds of Minerals and Gold and Silver Excise Tax	\$ 204,692,696	2.0%
Other Taxes	\$ 606,510,829	5.9%
Commerce Tax	\$ 343,073,688	3.3%
Cigarette and Tobacco Taxes	\$ 163,877,751	1.6%
Real Property Transfer Tax	\$ 155,532,366	1.5%
Cannabis Taxes	\$ 120,537,777	1.2%
Centrally Assessed Property Tax	\$ 139,942,185	1.4%
Total	\$ 10,362,660,077	100.0%

**TAX DISTRIBUTIONS**



Description	Amount	% of Total
Local Governments	\$ 3,392,981,942	32.7%
State General Fund	\$ 4,188,074,971	40.4%
State Education Fund	\$ 2,725,116,966	26.3%
Other Distributions	\$ 43,383,683	0.4%
State Debt Service	\$ 13,102,515	0.1%
Total	\$ 10,362,660,077	100.0%



# Funding Changes Recommended by the Governor

## **FY24-25 Total Expenditures:**

FY24 \$56,390,307; FY25 \$68,404,021

## **FY26-27 Expenditures:**

Governor Recommends: FY26 \$51,464,678; FY27 \$52,608,867

One Shot Appropriation: FY26 \$17,457,960; FY27 \$15,281,906

# **Budget Account 2361 Taxation Operating Account**

Governor Recommends  
Enhancement Units





# Enhancements

Budget Account 2361

## Travel

**Decision Unit: E226** (Increases funding for tobacco staff to attend training opportunities)  
**FY26 \$15,200; FY27 \$15,200**

**Decision Unit: E230** (Increases funding for compliance and IT staff travel)  
**FY26 \$112,693; FY27 \$112,693**

## Training

**Decision Unit: E229** (Increases funding for training opportunities for staff)  
**FY26 \$92,246; FY27 \$83,629**

## Board Services

**Decision Unit: E231** (Adds funding for various expenses associated with the Department's Boards and Commissions)  
**FY26 \$47,610; FY27 \$47,610**



# Enhancements

Budget Account 2361

## **Positions** (Adds 5 positions, Eliminates 4 positions)

**Decision Unit: E499** (Reduces a portion of personnel costs for staff funded through a subgrant that awarded funds from the America Rescue Plan Act (ARPA) to develop and implement the Modernize Your Nevada Tax (MYNT) project. The funding will end after the first quarter of Year 1 of the next biennium. Positions will be funded thereafter through one-shot appropriations)

**FY26 (\$21,487,206); FY27 (\$21,497,314)**

**Decision Unit: E680** (Elimination of one Information Technology Professional position that has remained vacant for an extended period of time)

**FY26 (\$162,620); FY27 (\$161,943)**

**Decision Unit: E681** (Adds one Tax Manager position)

**FY26 \$91,296; FY27 \$120,606**

**Decision Unit: E682** (Adds one Training Officer in Northern Nevada and one Training Officer in Southern Nevada)

**FY26 \$52,606; FY27 \$199,526**

**Decision Unit: E805** (Reclassification of an Administrative Aide to a Tax Program Supervisor)

**FY26 \$43,683; FY27 \$45,804**

**Decision Unit: E815** (Adds two unclassified General Counsel positions)

**FY26 \$127,058; FY27 \$492,817**



# Enhancements

Budget Account 2361

## Modernization

**Decision Unit: E232** (Adds funding for an information technology contract to assist with the operations backlog)  
**FY26 \$188,698; FY27 \$188,698**

**Decision Unit: E233** (Efficiency measure to reduce the volume of physical mail being processed through the state mail facility)  
**FY26 (\$22,344); FY27 (\$22,344)**



# Enhancements

Budget Account 2361

## Technology

**Decision Unit: E320** (Adds funding for new and expanded software licenses)  
**FY26 \$152,148; FY27 \$56,353**

**Decision Unit: E550** (Adds funding to augment flash storage)  
**FY26 \$0; FY27 \$92,296**

**Decision Unit: E551** (Adds funding to support for the Department Legacy System)  
**FY26 \$211,069; FY27 \$74,500**

## Other

**Decision Unit: E225** (Adds funding for the anonymous purchase of cigarette and other tobacco products)  
**FY26 \$5,000; FY27 \$5,000**

**Decision Unit: E228** (Adds funding for fingerprinting for background checks for new employees to the Department)  
**FY26 \$4,227; FY27 \$4,227**



# Enhancements

Budget Account 2361

## Vehicles

**Decision Unit: E719** (Adds funding for the replacement of an agency vehicles)

**Decision Unit: E729** (Adds funding for 4 Fleet Services vehicles)

## Equipment Replacement

**Decision Unit: E710** (Adds funding for the replacement of computer hardware per the OCIO recommended replacement schedule)

**Decision Unit: E711** (Adds funding for the replacement of video conferencing equipment that has exceeded its useful life)

**Decision Unit: E712** (Adds funding for the replacement of fax equipment to send and receive faxes to and from taxpayers)

**Decision Unit: E714** (Adds funding for the replacement of an envelope letter opening machine)





# One Shot Appropriation

## **Technology Investment - Modernization Your Nevada Tax**

**Decision Unit: E550**

**FY26 \$17,457,960; FY27 \$15,281,906**

This request funds the continuation of the development and implementation of Project MYNT utilizing general fund appropriations for the last 9 months in FY26 after the expiration of ARPA funds, and 12 months in FY27.

# Contact Information and Locations

Website: <https://tax.nv.gov>  
Taxpayer Call Center: (866) 962-3707

## **Office Locations:**

**Main Office and Mailing Address**      Phone: (775) 684-2000  
3850 Arrowhead Drive                      Fax: (775) 684-2020  
Carson City, NV 89706                      Toll Free: (800) 992-0900

**Southern Nevada District Office**  
700 E. Warm Springs Rd, 2nd Floor      Phone: (702) 486-2300  
Las Vegas, NV 89119                      Fax: (702) 486-2373

**Reno District Office**  
Kietzke Plaza  
4600 Kietzke Lane                      Phone: (775) 687-9999  
Building L, Suite 235                      Fax: (775) 688-1303  
Reno, NV 89502

